

EXHIBIT F

Unsettling settlement

Class action lawsuit brings a coupon, good only for a new GM car, to customers who were overcharged \$200-\$250; law firm gets \$844,000.

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By Paul Franz Staff Writer

Plaintiffs involved in a nine-year-old class action lawsuit against General Motors left Lancaster County Court disappointed Tuesday.

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In what he described as one of the "hardest fought cases" he's seen during his 24-year career, Judge Louis J. Farina approved an agreement that orders the car giant to give \$200 rebate certificates to people who bought new GM vehicles from state dealers between 1988 and early 1999.

"If it was illegal for them to take the money, then I would like my money back," Debora Spradin, of Willow Street, told the court. "Giving me a certificate to buy one of their cars is not doing me any good. I still have the car."

The case, *Sodera v. General Motors*, alleges that GM added 1 percent to the manufacturer's suggested retail price, or MSRP, of certain new vehicles it sold to its dealers as part of a marketing program. The lawsuit also claimed

dealers passed the amount on to buyers when they purchased cars, which violated Pennsylvania's Board of Vehicles Act.

The PBVA says manufacturers cannot require vehicle dealers to financially participate in advertising campaigns.

GM denied any wrongdoing.

According to court transcripts, complaints filed with the court Tuesday centered on the form of the settlement, rather than the monetary amount.

"What I want to know and understand is why [the lawyers] can get paid all these thousands of dollars when I only want \$230 in cash," Spradin said. "Two hundred thirty dollars to these guys is nothing, but it is a lot to me. And to give me a certificate to go buy another car they deceived me on is just not right."

The \$200 rebate certificates are valid only for the purchase of a new GM vehicle.

"This is an atrocious settlement," said Rob Gibson, a Media, attorney independently representing two plaintiffs, George and Karen Kains, of Lake Winola. "In order to reap the benefit of this \$200 coupon, consumers are required to make a purchase of \$20,000 or \$30,000 ... to get their \$200 benefit for what they overpaid for a vehicle before."

Attorneys' fees were also less than expected, primarily because of bad economic news affecting GM, said Joseph F. Rode, a senior partner at RodeNast in Lancaster.

Rode's firm, which represented the plaintiffs in the lawsuit, voluntarily returned its fees at Tuesday's hearing.

Rode had originally sought more than \$2 million, but GM will now pay RodeNast about \$944,000 for legal fees and \$437,000 for out-of-pocket expenses.

"This is an extraordinary situation," Rode said. "The economy played a large part in this settlement. This was a much different looking case nine years ago or even one year ago."

Clipping last week's announcement that GM was dropping its Pontiac brand and announcing massive layoffs, the law firm chose to significantly reduce its demands for reimbursement.

"I believe it was a reasonable decision under these circumstances," Rode said.

The ruling affects consumers who bought new GM cars from Pennsylvania dealers on or before March 31, 1999, with these stipulations:

*After Sept. 1, 1985, for Chevrolet or GMC truck vehicles.

*After July 1, 1989, for Cadillac or Oldsmobile vehicles.

*After July 1, 1990, for Pontiac vehicles.

*After Aug. 1, 1990, for Buick vehicles.

Anyone who bought a new vehicle that falls into these categories is eligible for the coupon. An estimated 700,000 to 800,000 new GM vehicles were sold by Pennsylvania dealers during that time.

In total, consumers who bought the cars were overcharged about \$200 to \$250.

RodeNast said its settlement with GM will cover 6,000 billed work hours, travel and deposition costs. RodeNast said about \$250,000 was spent on statewide ads to inform people who might be eligible for the rebate.

The case was originally filed in June 2000 on behalf of Donna Sodera, of Lancaster. Sodera purchased a new Pontiac Grand Am in 1987 and paid the extra 1 percent fee. Sodera was awarded \$5,000 by the court as part of a prior agreement.

Let's settle this one

Last summer, Judge Farina recommended GM and RodeNast settle the case rather than take it to trial.

Both parties agreed.

"It's a compromise," Rode said. "We wanted and would have preferred a cash settlement. It was not attainable. GM would not agree to it."

Had the case gone to a jury, "we wouldn't have had [any] final judgment for years," if any, Rode said. Even if the jury ruled in favor of the plaintiffs, the case would have been subject to appeals.

Rode said that despite not getting cash reimbursement for the plaintiffs, the \$200 coupon "falls squarely within the range of what the 1 percent meant to the class members."

"We believed that it was in the best interest of the [plaintiffs] to settle," he said.

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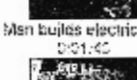
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The specter of GM's bankruptcy late last year further complicated arbitration, Roda said.

If the car giant declared bankruptcy, "no one would have gotten anything," he said. "We had to be reasonable."

According to a Web site set up by Hilsoft Notifications, <http://www.onepercentcase.com>, buyers affected by the ruling must submit a claim form and proof of purchase by June 15 to receive the \$200 rebate coupon from GM.

The rebate, valid for three years, will be good toward the purchase or lease of a new GM vehicle.

Roda didn't know how many people would apply for the coupon. Calls made to Garden City Group, a class action administrator group handling GM's payment in the case, were not returned.

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As per 55% of class action lawsuits, the only winners were the lawyers.

Gonsoulin

Right on Gonsoulin. Even for a class action, this settlement is a bad joke. These days, hardly anybody can afford to buy a brand new vehicle and a lot of us have all we can do just to keep our old cars on the road. It's no surprise that the lawyers were more about collecting big for themselves, even at the expense of getting something of value for the people they represent. What's really disturbing is Judge Fama's apparent eagerness to help Mr. Roda do just that - by putting his stamp of approval on this unfair settlement in spite of the good points made by the people who spoke out against it in his court. Whose side is he on anyway?

And let's not forget all the government bail-out funds received by GM. We all might just as well send a check directly to Mr. Roda and his colleagues instead of paying our taxes. Maybe there's nothing regular people can do about the misuse of our hard earned tax dollars or the greed of class action lawyers. But at least the voters can let Judge Fama know what they think about his slush for the sake of justice when he comes up for re-election.

Kudos to Paul Franz and LancasterOnline for shedding public light on this newsworthy story.

Lived in Lancaster

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